

§ 476.70

provided to a patient. The review is focused on determining the appropriateness, necessity, quality, and reasonableness of health care services provided.

Review responsibility means (1) the responsibility of the PRO to perform review functions prescribed under Part B of Title XI of the Act and the Social Security Amendments of 1983 (Pub. L. No. 98-21) and the regulations of this part; (2) the responsibility to fulfill the terms and meet the objectives set forth in the negotiated contract between HCFA and the PRO; and (3) the authority of a PRO to make conclusive initial denial determinations regarding the medical necessity and appropriateness of health care and changes as a result of DRG validations.

Skilled nursing facility (SNF) means a health care institution or distinct part of an institution that (a) is primarily engaged in providing skilled nursing care or rehabilitative services to injured, disabled, or sick persons, and (b) has an agreement to participate in Medicare or Medicaid or both, and (c) is not a religious nonmedical institution as defined in § 440.170(b) of this chapter.

Standards means professionally developed expressions of the range of acceptable variation from a norm or criterion.

Subcontractor means a facility or a non-facility organization under contract with a PRO to perform PRO review functions.

Working day means any one of at least five days of each week (excluding, at the option of each PRO, legal holidays) on which the necessary personnel are available to perform review.

[44 FR 32081, June 4, 1979, as amended at 45 FR 67545, Oct. 10, 1980; 46 FR 48569, Oct. 1, 1981. Redesignated and amended at 50 FR 15328, 15329, Apr. 17, 1985; 51 FR 43197, Dec. 1, 1986. Redesignated at 64 FR 66279, Nov. 24, 1999, as amended at 64 FR 67052, Nov. 30, 1999]

Subpart B [Reserved]

42 CFR Ch. IV (10-1-00 Edition)

Subpart C—Review Responsibilities of Utilization and Quality Control Peer Review Organizations (PROs)

SOURCE: 50 FR 15330, Apr. 17, 1985, unless otherwise noted. Redesignated at 64 FR 66279, Nov. 24, 1999.

GENERAL PROVISIONS

§ 476.70 Statutory bases and applicability.

(a) *Statutory basis.* Sections 1154, 1866(a)(1)(F) and 1886(f)(2) of the Act require that a PRO review those services furnished by physicians, other health care professionals, providers and suppliers as specified in its contract with the Secretary. Section 1154(a)(4) of the Act requires PROs, or, in certain circumstances, non-PRO entities, to perform quality of care reviews of services furnished under risk-basis contracts by health maintenance organizations (HMOs) and competitive medical plans (CMPs) that are covered under subpart C of part 417 of this chapter.

(b) *Applicability.* The regulations in this subpart apply to review conducted by a PRO and its subcontractors. Section 466.72 of this part also applies, for purposes of quality of care reviews under section 1154(a)(4) of the Act, to non-PRO entities that enter into contracts to perform reviews of services furnished under risk-basis contracts by HMOs and CMPs under subpart C of part 417 of this chapter.

[52 FR 37457, Oct. 7, 1987. Redesignated at 64 FR 66279, Nov. 24, 1999]

§ 476.71 PRO review requirements.

(a) *Scope of PRO review.* In its review, the PRO must determine (in accordance with the terms of its contract)—

(1) Whether the services are or were reasonable and medically necessary for the diagnosis and treatment of illness or injury or to improve functioning of a malformed body member, or (with respect to pneumococcal vaccine) for prevention of illness or (in the case of hospice care) for the palliation and management of terminal illness;